

AN ACT

relating to offering certain evidence-based services in lieu of other mental health or substance use disorder services by a Medicaid managed care organization.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 533.005, Government Code, is amended by adding Subsection (g) to read as follows:

(g) In addition to the requirements specified by Subsection (a), a contract described by that subsection must contain language permitting a managed care organization to offer medically appropriate, cost-effective, evidence-based services from a list approved by the state Medicaid managed care advisory committee and included in the contract in lieu of mental health or substance use disorder services specified in the state Medicaid plan. A recipient is not required to use a service from the list included in the contract in lieu of another mental health or substance use disorder service specified in the state Medicaid plan. The commission shall:

(1) prepare and submit an annual report to the legislature on the number of times during the preceding year a service from the list included in the contract is used; and

(2) take into consideration the actual cost and use of any services from the list included in the contract that are offered by a managed care organization when setting the capitation rates

1 for that organization under the contract.

2 SECTION 2. Section 533.005, Government Code, as amended by
3 this Act, applies to a contract entered into or renewed on or after
4 the effective date of this Act. A contract entered into or renewed
5 before that date is governed by the law in effect on the date the
6 contract was entered into or renewed, and that law is continued in
7 effect for that purpose.

8 SECTION 3. If before implementing any provision of this Act
9 a state agency determines that a waiver or authorization from a
10 federal agency is necessary for implementation of that provision,
11 the agency affected by the provision shall request the waiver or
12 authorization and may delay implementing that provision until the
13 waiver or authorization is granted.

14 SECTION 4. This Act takes effect September 1, 2019.

S.B. No. 1177

President of the Senate

Speaker of the House

I hereby certify that S.B. No. 1177 passed the Senate on May 3, 2019, by the following vote: Yeas 31, Nays 0.

Secretary of the Senate

I hereby certify that S.B. No. 1177 passed the House on May 22, 2019, by the following vote: Yeas 109, Nays 34, two present not voting.

Chief Clerk of the House

Approved:

Date

Governor